

US BANK/FCC SEP 08 2008

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of the Joint Application of )

Affinity Telecom, Inc., )

d/b/a C-COM )

Assignor )

and )

Liberty Bell Telecom LLC )

Assignee )

For Grant of Authority Pursuant to )  
Section 214 of the Communications Act )  
of 1934, as amended, and Section 63.04 )  
of the Commission's Rules to Assign )  
Certain Assets, and Transfer Control )  
of Local Service Customer base of )  
Affinity Telecom, Inc., to Liberty )  
Bell Telecom, LLC. )

File No. \_\_\_\_\_

**JOINT APPLICATION**

Affinity Telecom, Inc., ("Affinity") and Liberty Bell Telecom, LLC., ("Liberty"), (collectively, the "Applicants"), through their undersigned representatives and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.04 of the Commission's Rules, 47 C.F.R. 63.04, hereby respectfully request Commission approval or such authority as may be necessary or required to enable the Applicants to consummate a Transaction whereby Liberty, a non-dominant competitive carrier vested with global or limited global resale authority under Section 63.18(e)(2), will acquire substantially all of the assets of Affinity, a non-dominant competitive carrier.

**A. DESCRIPTION OF THE PROPOSED TRANSACTION AS REQUIRED BY RULE  
63.04(A)(6):**

On July 31st, 2008, Liberty and Affinity entered into an Asset Purchase Agreement whereby (a) Liberty agreed to purchase from Affinity certain regulated assets, (the "Transaction"), including Affinity's subscriber accounts and accounts receivables

("Customer Assets"), the closing date of such Transaction being subject to regulatory approval; and (b) to provide Affinity with operating capital which Affinity could use to pay certain vendors until such regulatory approval could be obtained, Liberty purchased from Affinity certain fixed assets, including certain intellectual property rights, office equipment, software and computers ("Initial Purchase"). The proceeds from the Initial Purchase are currently being used by Affinity to maintain its business operations until such time as regulatory approval is obtained and the Transaction can be consummated. Affinity is currently still providing uninterrupted services to its 4,000 customers. Additionally, Liberty and Affinity have provided Affinity's customers with clear, comprehensive notice of the pending Transaction in accordance with Section 64.1120(e) of the Commission's Rules, 47 U.S.C. § 64.1120(e) (see notices provided by Liberty to Affinity customers, attached hereto as **Exhibit A** and **Exhibit B**). Upon obtaining regulatory approval for the Transaction, Affinity will immediately transfer the Customer Assets to Liberty, who will thereafter commence to provide to those of Affinity's customers that elect not to switch to a different provider, the same services on the same terms, rates and conditions. Accordingly, the transition to Affinity's customers will be both seamless and transparent.

**B. REQUEST FOR EXPEDITED CONSIDERATION PURSUANT TO RULE 63.04(a)(10).**

The parties respectfully request expedited review and processing of the Application due to the imminent business failure of Affinity. Recently, Affinity has been operating with a negative cash flow. On or about June 30 2008, Affinity found itself in the position of being unable to pay the recurring service charges it owed to several vendors, including Qwest Corp. As a result, Affinity faced imminent business failure, which would have resulted in termination of service to all Affinity customers. To enable Affinity to stave off such business failure, Liberty Bell purchased certain fixed assets from Affinity, including certain intellectual property rights, office equipment, software and computers, (collectively, the "Initial Transaction"). The proceeds from the Initial Transaction enabled Affinity to continue its business operations until such time as the parties can finalize and close a Transaction pursuant to which Liberty Bell will purchase substantially all of Affinity's remaining assets, including Affinity's Subscriber accounts and accounts receivable ("Customer Assets"). Accordingly, the parties hope to consummate such Transaction at the earliest opportunity and in no event later than September 30, 2008.

**C. REQUEST FOR STREAMLINED PROCESSING PURSUANT TO RULE 63.04(a)(8):**

Following the Transaction, (a) Liberty will have a market share in the interstate, interexchange market of substantially less than ten percent (10%) and (b) Liberty will provide competitive telephone exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not party to the Transaction, and neither Liberty nor Affinity are dominant with respect to any services. Accordingly, Affinity and Liberty Telecom respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2).

The Applicants understand and acknowledge that because the proposed Transaction meets the conditions of Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2), the application will be granted on the 31st day following the release of the Public Notice of such application without further action by the Commission unless the Commission advises the Applicants to the contrary. *See* 47 C.F.R. 63.03(a).

**D. STATEMENT OF PUBLIC INTEREST AS REQUIRED BY RULE 63.04(A)(12):**

Under current conditions, Affinity is unable to meet its financial obligations to either its vendors or its customers. Prompt Commission approval of the Transaction will maximize the benefits to Affinity's subscribers by ensuring that they continue to receive service upon the same rates, terms and conditions as were in effect prior to the Transaction, with no interruptions. Additionally, Liberty Telecom has significant financial resources and substantial experience in providing the same or similar services as to those provided by Affinity. The Applicants hold that Liberty is in a better position to offer Affinity's customers expanded service offerings, enhanced customer service, and more competitive benefits.

**E. DESCRIPTION OF THE APPLICANTS:**

**1. Liberty Bell Telecom, LLC.**

Founded in 2003, Liberty is non-facilities based competitive local exchange carrier based in Denver, Colorado. Liberty purchases local and long distance services from Qwest Communications International Inc and resells those services to small business and residential customers located throughout Colorado. As of 2008, Liberty, with a staff of 10 employees, services approximately 7,000 service lines and generates \$5,000,000 in annual revenues.

**2. Affinity Telecom, Inc.**

Located in Boulder, Colorado, Affinity (d/b/a C-COM) was founded in 2002 to provide local and long distance services to small business and residential customers 98% of which are located in Colorado. C-COM currently employees 5 people and services about 4,000 phone lines. Affinity generates approximately \$3 million in revenues.

**F. OTHER INFORMATION REQUIRED BY SECTION 63.04(a):**

In support of the application, the parties respectfully submit the following information to satisfy the requirements of Section 63.04(a) of the Commission's Rules, 47 U.S.C. § 63.04(a):

**1. 63.04(a)(1): Name, Address and Telephone Number of each Applicant:**

Liberty Bell Telecom, LLC  
2460 West 26<sup>th</sup> Ave, Suite 380-C  
Denver, CO, 80211  
Telephone: 303 831 1977,  
Facsimile: 303 831 1988

Affinity Telecom. Inc. (d/b/a C-COM)  
4745 Walnut Street, Suite 300  
Boulder, CO 80301  
Telephone 800 301 0788,  
Facsimile: 303 444 9310

**2. 63.04(a)(2): State in which Each Applicant is Organized:**

Affinity is incorporated under the laws of the State of Colorado.

Liberty is a limited liability corporation, duly organized and existing under the laws of the State of Colorado.

**3. 63.04(a)(3): Contacts for Correspondence regarding This Application:**

Please direct all correspondence regarding this application to:

**Liberty:** Nigel Alexander, Manager  
Liberty Bell Telecom, LLC  
2460 West 26<sup>th</sup> Ave, Suite 380-C

Denver, CO, 80211  
Telephone: 303 831 1977,  
Facsimile: 303 831 1988  
E-mail: nalexander@multilinkon.com

Ian O'Neill, Esq.  
Holland & Hart LLP  
555 17th Street, Suite 3200  
Denver, Colorado, 80202  
Telephone: 303-295-8561  
Facsimile: 303-291-9125  
E-mail: [ivoneill@hollandhart.com](mailto:ivoneill@hollandhart.com)  
Counsel to Liberty Telecom, LLC.

**Affinity:** Fred Chernow, Chief Executive Officer  
Affinity Telecom. Inc. (d/b/a C-COM)  
4745 Walnut Street, Suite 300  
Boulder, CO 80301  
Telephone 800 301 0788,  
Facsimile: 303 444 9310  
E-mail: [fchernow@ccomati.com](mailto:fchernow@ccomati.com)

**4. 63.04(a)(4): Name, Address, Citizenship and Principal Business of 10% or Greater Holders:**

**Liberty:** Liberty Bell Telecom, LLC is a wholly owned subsidiary of Multi-Link Telecom, LLC ("Multi-Link"). Multi-Link is a Colorado Limited Liability Corporation whose principal place of business is located at 2460 West 26<sup>th</sup> Ave, Suite 380-C, Denver, Colorado, 80211. There are only two persons that currently own a greater than 10% interest in Multi-Link. Ms. Brenda Alexander is a United States Citizen with a principal residence at 3080 West 63<sup>rd</sup> Ave, Denver, Colorado, 80221. As of the date of this application, Ms. Alexander owned fifty-six percent (56%) of the common stock of Multi-Link. Ms Alexander's principal business is that of a real estate broker. Mr. Thomas G. Martino is a United States citizen with a principal residence of 7900 Fox Creek Trail, Franktown, Colorado, 80116. As of the date of this application, Mr. Martino owns 12% of the common stock of Multi-Link. Mr Martino's principal occupation is that of a radio show host. An ownership chart for Liberty is attached hereto as **Exhibit C**.

**Affinity:** As of the date of this application, two people own greater than ten percent (10%) of Affinity. Mr. Fred Chernow holds fifty-nine percent (59%) of Affinity's

common stock. Mr. Chernow's principal address is 7217 Paint Brush Trail, Boulder, Colorado, 80301. Mr. Chernow's principal business is Chief Executive Officer of Affinity. Mr. Gary Garrison holds twenty-nine percent (29%) of Affinity's common stock. Mr. Garrison's principal address is 223 Bobcat Way, Ward, Colorado 80481. Mr. Garrison's principal business is telecommunications professional. Messrs. Chernow and Garrison are both United States citizens.

**5. 63.04(a)(5): Anti-Drug Abuse Act Certification**

Liberty and Affinity hereby certify pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, 47. U.S.C. §§ 1.2001-1.2003, that neither is subject to a denial of Federal benefits, as provided in the anti-Drug Abuse Act of 1988, 2 U.S.C. § 3301.

**7. 63.04(a)(7): Description of the Geographic Areas in which the Applicants Offer Domestic Telecommunications Service and the Services Offered in Such Areas:**

Liberty provides local and long distance services to customers throughout Colorado.

Affinity provides local and long distance services to customers throughout Colorado. Affinity also provides long distance services and to less than 20 customers located in States other than Colorado.

**9. 63.04(a)(9): Identification of all other Commission applications related to this Transaction:**

None.

**11. 63.04(a)(11): Identification of any Other Separately Filed Waiver Requests:**

None.

**G. CONCLUSION**

For the reasons stated above, Applicants respectfully propose that the public interest, convenience, and necessity would be furthered by the grant of this application. The Applicants therefore respectfully request that the Commission consider and approve the application expeditiously to permit Applicants to consummate the proposed

Transaction and assign the assets of Affinity to Liberty, thereby transferring control of Affinity's Customer Base to Liberty as soon as possible.

Respectfully submitted,

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Nigel Alexander  
Liberty Bell Telecom, LLC  
2460 West 26<sup>th</sup> Ave, Suite 380-C  
Denver, CO, 80211  
Telephone: 303 831 1977,  
Facsimile: 303 831 1988  
E-mail: [nalexander@multilinkon.com](mailto:nalexander@multilinkon.com)

Manager  
Liberty Bell Telecom, LLC

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Fred Chernow  
Affinity Telecom. Inc. (d/b/a C-COM)  
4745 Walnut Street, Suite 300  
Boulder, CO 80301  
Telephone 800 301 0788,  
Facsimile: 303 444 9310  
E-mail: [fchernow@ccomati.com](mailto:fchernow@ccomati.com)

Chief Executive Officer  
Affinity Telecom. Inc. (d/b/a C-COM)

STATE OF COLORADO     )  
                                  ) ss.  
COUNTY OF DENVER     )

**VERIFICATION**

I, Nigel Alexander, state that I am the Manager of Liberty Bell Telecom, LLC.; that I am authorized to make this Verification on behalf of Liberty Bell Telecom, LLC; and that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

\_\_\_\_\_  
Nigel Alexander  
Manager  
Liberty Bell Telecom, LLC

Sworn and subscribed before me this \_\_\_\_ day of August, 2008

\_\_\_\_\_  
Notary Public

[Seal or Stamp]

\_\_\_\_\_  
[Printed Name]

My appointment expires \_\_\_\_\_



STATE OF COLORADO     )  
                                      ) ss.  
COUNTY OF DENVER     )

**VERIFICATION**

I, Fred Chernow, state that I am the Chief executive Officer of Affinity Telecom, Inc.; that I am authorized to make this Verification on behalf of Affinity Telecom, Inc; and that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

\_\_\_\_\_  
Fred Chernow  
Chief Executive Officer  
Affinity Telecom, Inc.

Sworn and subscribed before me this \_\_\_\_ day of August, 2008

\_\_\_\_\_  
Notary Public

[Seal or Stamp]

\_\_\_\_\_  
[Printed Name]

My appointment expires \_\_\_\_\_

## **LIST OF EXHIBITS**

- |           |  |
|-----------|--|
| Exhibit A | Notice of Proposed Transaction Provided to local service customers of Affinity Telecom, Inc.         |
| Exhibit B | Notice of Proposed Transaction Provided to long distance service customers of Affinity Telecom, Inc. |
| Exhibit C | Corporate Structure Chart for Liberty Bell Telecom, LLC.   |

**EXHIBIT A**

**SAMPLE OF NOTICE OF PROPOSES TRANSACTION PROVIDED BY LIBERTY TELECOM,  
LLC., TO LOCAL SERVICE CUSTOMERS OF AFFINITY TELECOM, INC.**

**(See Attached)**

**EXHIBIT B**

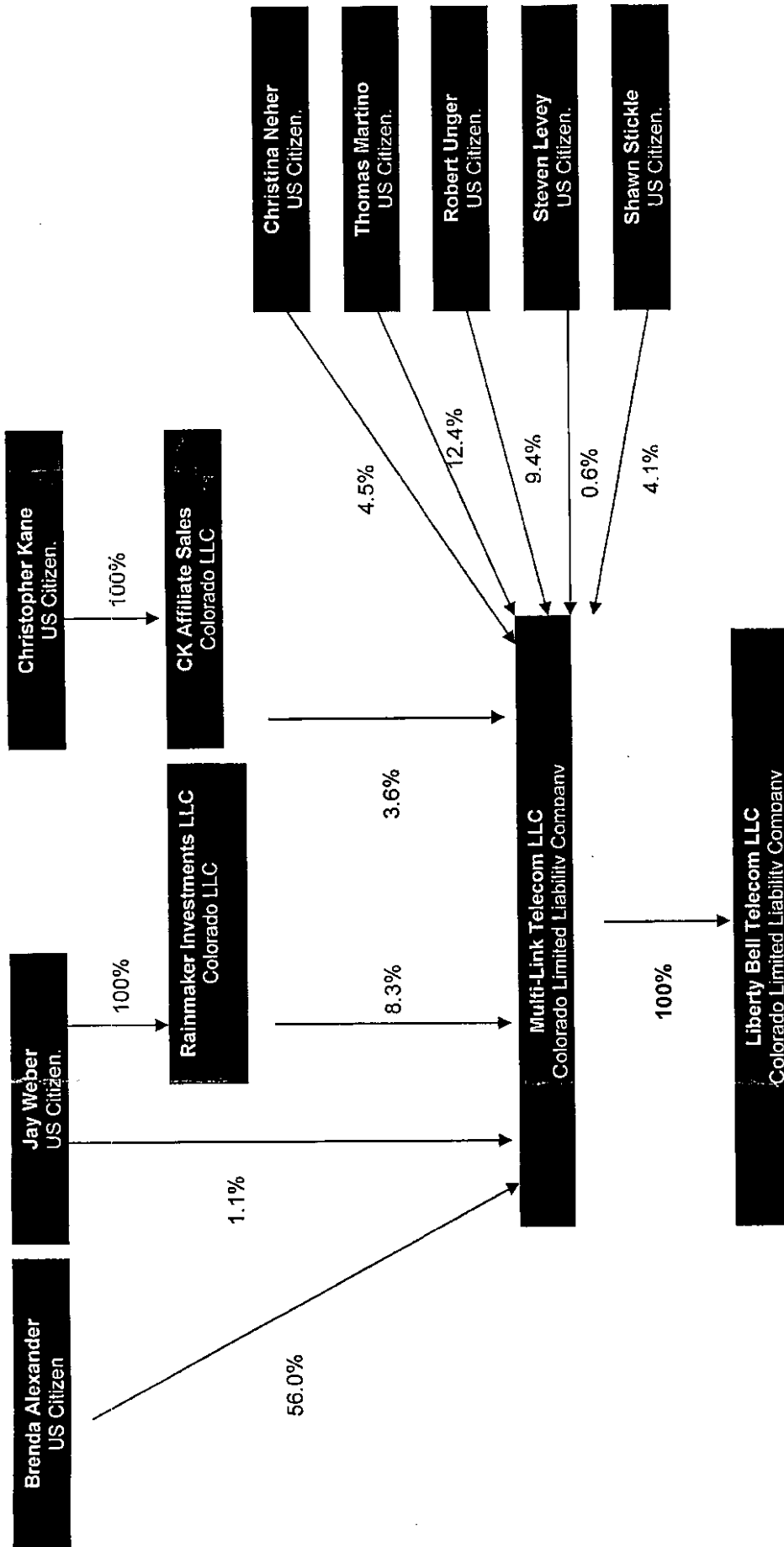
**SAMPLE OF NOTICE OF PROPOSES TRANSACTION PROVIDED BY LIBERTY TELECOM,  
LLC., TO LONG DISTANCE SERVICE CUSTOMERS OF AFFINITY TELECOM, INC.**

**(See Attached)**

# MULTI-LINK

Small Business Telecom & Computing

OWNERSHIP 8/13/2008





September 12, 2008

**VIA OVERNIGHT DELIVERY**  
**WITH CONFIRMATION COPY SENT VIA EMAIL**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Wireline Competition Bureau Applications  
PO Box 979091  
St. Louis, MO 63197-9000

Re: Request for Special Temporary Authorization to Transfer Control of Local Service Customer base of Affinity Telecom, Inc., to Liberty Bell Telecom, LLC ("Applicants") pending approval of Applicants' Application For Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.04 of the Commission's Rules to Assign Certain Assets Transfer Control of Local Service Customer base of Affinity Telecom, Inc., to Liberty Bell Telecom, LLC.

Dear Ms. Dortch:

Liberty Bell Telecom, LLC., ("Liberty") and Affinity Telecom, Inc., ("Affinity") (collectively, the "Applicants"), through their undersigned representatives and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.04 of the Commission's Rules, 47 C.F.R. 63.04, hereby respectfully request expedited Special temporary Authority ("STA") for the approval of transfer of control of substantially all of Affinity's assets, namely the local service customer base of Affinity, to Liberty. Applicants respectfully request that the Commission grant this STA requested as soon as possible, and not later than September 30, 2008, so that the transaction described below can close as scheduled.

As detailed in the underlying application, as previously filed with the Commission and attached hereto as Exhibit A, (the "Application"), Liberty is a non-dominant competitive carrier vested with domestic Section 214 authority. On July 31st, 2008, Liberty entered into an Asset Purchase Agreement with Affinity, also a non-dominant competitive carrier, pursuant to which Liberty will purchase Affinity's subscriber accounts and accounts receivables (the "Proposed Transaction"). Following closing of the proposed Transaction, Liberty shall assume responsibility for providing uninterrupted, continuous service to Affinity's customers on the same terms, costs, and conditions as such customers currently enjoy.

The proposed Transaction is scheduled to close no later than September 30, 2008; this closing date is essential if the financial insolvency of Affinity and the interruption or termination of service to Affinity's customers is to be avoided. On or about June 30, 2008, Affinity found itself in the position of being unable to pay the monthly recurring service charges due to several vendors, including Qwest Corp. As a result, Affinity faced imminent



business failure, which would have resulted in termination of service to all Affinity customers as of July 1, 2008. To enable Affinity to stave off such business failure, Liberty purchased certain fixed, non-regulated, assets from Affinity, such as office equipment, software and personal computers, (the "Initial Transaction"). The proceeds from the Initial Transaction enabled Affinity to service its debt obligations for the months of July, August, and September. However, such proceeds will have been depleted in full by September 30, 2008 and Affinity will not be able to pay its debt obligations thereafter. Affinity would have no option but to terminate service to its approximately 4,000 customers and declare itself financially insolvent on October 1, 2008, unless the proposed Transaction closes prior to that date. Therefore, in light of the financial hardship and imminent business failure facing Affinity, the applicants request STA so that the transaction may close on September 30, 2008.

Affinity currently provides services to approximately 4,000 customers. Affinity and Liberty have already notified Affinity's customers of the proposed Transaction. Upon completion of the proposed Transaction, Liberty shall provide those customers that elect not to switch to another carrier with the same services at the same price and with the same benefits, terms and conditions as those customers currently receive. The transition for Affinity's customers will be transparent and seamless. Accordingly, the grant of the relief requested herein will maximize the benefits to these customers and serve the interest of public convenience and necessity by ensuring that Affinity's customers continue to receive uninterrupted service. Additionally, Liberty Telecom has significant financial resources and substantial experience in providing the same or similar services as to those provided by Affinity. The Applicants hold that Liberty is in a better position to offer Affinity's customers expanded service offerings, enhanced customer service, and more competitive benefits.

In light of the foregoing, Applicants respectfully request grant of the STA as soon as possible, but in no event later than September 30, 2008. Applicants expressly acknowledge and agree that grant of this request will not prejudice action by the Commission on the underlying Application and that any authority granted pursuant to this request is subject to modification or cancellation upon notice, but without a hearing.

Should you have any questions or require further information, please do not hesitate to contact the undersigned.

Respectfully submitted,

Ian V. O'Neill  
Holland and Hart, LLP  
555 17th Street  
Denver, CO 80202

Counsel for Liberty Telecom, LLC.